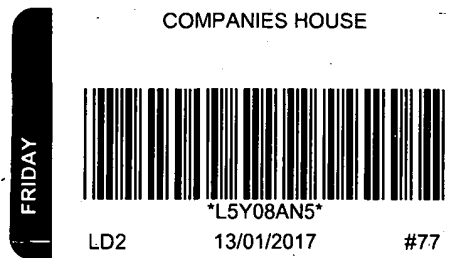


REGISTERED NUMBER: 08962735 (England and Wales)

REPORT OF THE DIRECTOR AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016
FOR
ALE UK LIMITED



ALE UK LIMITED

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for the year ended 31 March 2016

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ALE UK LIMITED

REPORT OF THE DIRECTOR
for the year ended 31 March 2016

The director presents his report with the financial statements of the company for the year ended 31 March 2016.

The comparative period is from 27 March 2014 to 31 March 2015.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of carrying out an activity of commercial prospection and marketing on behalf of the parent undertaking within the UK.

DIRECTOR

P Tebbutt held office during the whole of the period from 1 April 2015 to the date of this report.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The director has appointed Constantin as auditors of the company. Constantin has expressed its willingness to be appointed for another term and appropriate arrangements have been put in place for them to be proposed for re-appointment.

SMALL COMPANIES REGIME

The director has taken advantage of the small companies exemption under section 414B in relation to the preparation of a strategic report.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:


.....
P Tebbutt, Director

Date: 16.12.16

ALE UK LIMITED

COMPANY INFORMATION
for the year ended 31 March 2016

DIRECTOR: P Tebbutt

REGISTERED OFFICE: Ground Floor, Lunar House
Mercury Business Park
Wycombe Lane
Wooburn Green
Buckinghamshire
HP10 0HH

REGISTERED NUMBER: 08962735 (England and Wales)

INDEPENDENT AUDITORS: Constantin
25 Hosier Lane
London
EC1A 9LQ

ALE UK LIMITED

STATEMENT OF DIRECTOR'S RESPONSIBILITIES
for the year ended 31 March 2016

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ALE UK LIMITED**

We have audited the financial statements of ALE UK Limited for the year ended 31 March 2016 on pages five to thirteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of director and auditors

As explained more fully in the Statement of Director's Responsibilities set out on page three, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Director to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

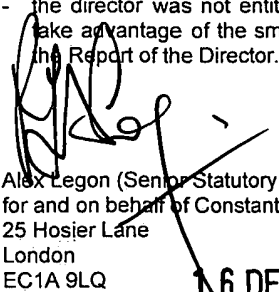
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Director.


Alex Legon (Senior Statutory Auditor)
for and on behalf of Constantin
25 Hosier Lane
London
EC1A 9LQ

16 DEC 2016

Date:

ALE UK LIMITED

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 March 2016

	Notes	Year Ended 31.3.16 £	Period 27.3.14 to 31.3.15 £
TURNOVER	3	3,857,124	1,765,163
Administrative expenses		<u>(3,735,250)</u>	<u>(1,713,334)</u>
OPERATING PROFIT	4	121,874	51,829
Interest payable and similar charges	5	<u>(9,260)</u>	<u>(416)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		112,614	51,413
Tax on profit on ordinary activities	6	<u>(29,715)</u>	<u>(10,797)</u>
PROFIT FOR THE FINANCIAL YEAR		82,899	40,616
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>82,899</u>	<u>40,616</u>

The notes form part of these financial statements

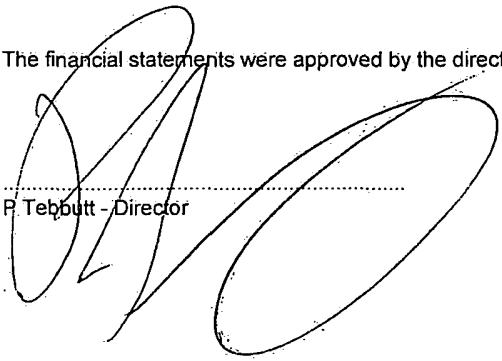
ALE UK LIMITED (REGISTERED NUMBER: 08962735)

STATEMENT OF FINANCIAL POSITION
31 March 2016

	Notes	2016 £	2015 £
CURRENT ASSETS			
Debtors	7	1,104,446	707,642
Cash at bank	8	120,780	221,224
		<u>1,225,226</u>	<u>928,866</u>
CREDITORS			
Amounts falling due within one year	9	(1,101,710)	(888,249)
		<u>123,516</u>	<u>40,617</u>
NET CURRENT ASSETS			
		<u>123,516</u>	<u>40,617</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>123,516</u>	<u>40,617</u>
CAPITAL AND RESERVES			
Called up share capital	12	1	1
Retained earnings	13	123,515	40,616
		<u>123,516</u>	<u>40,617</u>
SHAREHOLDERS' FUNDS	16	<u>123,516</u>	<u>40,617</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act, 2006 relating to small companies.

The financial statements were approved by the director on 16.12.16 and were signed by:


P. Tebutt - Director

The notes form part of these financial statements

ALE UK LIMITED

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March 2016

	Called up share capital £	Retained earnings £	Total equity £
Changes in equity			
Issue of share capital	1	-	1
Total comprehensive income	-	40,616	40,616
Balance at 31 March 2015	1	40,616	40,617
Changes in equity			
Total comprehensive income	-	82,899	82,899
Balance at 31 March 2016	1	123,515	123,516

The notes form part of these financial statements

ALE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2016

1. COMPANY INFORMATION

ALE UK Limited ("the company") is a private limited company incorporated and domiciled in England and Wales, registration number 08962735. The address of its registered office is Ground Floor, Lunar House, Mercury Business Park, Wycombe Lane, Wooburn Green, Buckinghamshire, HP10 0HH.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

No significant judgements or key assumptions have been made by management in preparing these financial statements.

Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Expenses

Expenses are included in the statement of comprehensive income on an accrual basis, net of discounts and value added tax.

Foreign currencies

The functional and presentational currency of the company is British Pound. Monetary assets and liabilities in foreign currencies are translated into British Pound at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into British Pound at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Operating leases

Rentals paid in respect of operating leases are charged to the statement of comprehensive income as incurred.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to statement of comprehensive income in the period to which they relate.

Going concern

The financial statements have been prepared under the going concern basis. The parent company will continue to support the business by providing funds to enable the company to meet its liabilities as they fall due.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception:

Deferred tax assets are only recognised to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

ALE UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2016**

2. ACCOUNTING POLICIES - continued

Debtors

Short term debtors are measured at transaction price, less any impairment.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks and are subject to an insignificant risk of changes in value.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	Year Ended 31.3.16 £	Period 27.3.14 to 31.3.15 £
Rendering of services	3,857,124	1,765,163
	<u>3,857,124</u>	<u>1,765,163</u>

An analysis of turnover by geographical market is given below:

	Year Ended 31.3.16 100.00%	Period 27.3.14 to 31.3.15 100.00%
Europe	100.00%	100.00%
	<u>100.00%</u>	<u>100.00%</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	Year Ended 31.3.16 £	Period 27.3.14 to 31.3.15 £
Auditors' remuneration	8,000	8,000
Foreign exchange differences	37,343	11,870
Pension costs	214,221	106,198
Other operating leases	93,802	-
	<u>353,366</u>	<u>226,068</u>
Directors' remuneration	168,576	92,060
Directors' pension contributions to money purchase schemes	28,297	12,575
	<u>196,873</u>	<u>104,635</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>1</u>
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ALE UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2016**

4. OPERATING PROFIT - continued

	Year Ended 31.3.16	Period 27.3.14 to 31.3.15
The average monthly number of employees during the year was as follows:	<u>33</u>	<u>29</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	Year Ended 31.3.16 £	Period 27.3.14 to 31.3.15 £
Bank interest payable	-	1
Interest payable on loans from parent company	<u>9,260</u>	<u>415</u>
	<u>9,260</u>	<u>416</u>

6. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	Year Ended 31.3.16 £	Period 27.3.14 to 31.3.15 £
Current tax: UK corporation tax	<u>29,715</u>	<u>10,797</u>
Tax on profit on ordinary activities	<u>29,715</u>	<u>10,797</u>

UK corporation tax has been charged at 20% (2015 - 21%).

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Year Ended 31.3.16 £	Period 27.3.14 to 31.3.15 £
Profit on ordinary activities before tax	<u>112,614</u>	<u>51,413</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 21%)	22,523	10,797
Effects of: Expenses not deductible for tax purposes	4,376	-
Adjustments to tax charge in respect of previous periods	<u>2,816</u>	<u>-</u>
Total tax charge	<u>29,715</u>	<u>10,797</u>

ALE UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2016****6. TAXATION - continued****Factors affecting future tax charges**

In the Budget on 8 July 2015, the Chancellor announced planned reductions in the Corporation Tax rate to 19% from 1 April 2017 and 18% from 1 April 2020. This will reduce any future current tax charge accordingly.

A further reduction to the corporation tax rate by 1% to 17% by 1 April 2020 was announced in the Chancellor's 2016 budget statement and substantively enacted on 15 September 2016.

7. DEBTORS

	2016 £	2015 £
Amounts falling due within one year:		
Amounts owed by parent undertaking	623,402	406,432
Other debtors	154,767	-
VAT	-	1,209
Called up share capital not paid	1	1
Prepayments and accrued income	26,276	-
	<u>804,446</u>	<u>407,642</u>
Amounts falling due after more than one year:		
Other debtors	<u>300,000</u>	<u>300,000</u>
Aggregate amounts	<u>1,104,446</u>	<u>707,642</u>

The amounts owed by the group undertaking are unsecured, interest free and are repayable in line with the terms of the related invoices.

8. CASH AT BANK

	2016 £	2015 £
Bank account	<u>120,780</u>	<u>221,224</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Bank loans and overdrafts (see note 10)	-	8
Amounts owed to parent undertaking	373,474	364,214
Corporation tax	40,511	10,797
Social security and other taxes	180,687	72,052
VAT	10,430	-
Other creditors	35,176	20,392
Accruals and deferred income	461,432	420,786
	<u>1,101,710</u>	<u>888,249</u>

The amounts owed to the parent undertaking comprises of a loan from the parent company, ALE Holding. Interest is charged on the loan at a rate of EURIBOR plus 3% per annum, with no security given and is repayable on 18 March 2017.

ALE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2016

10. LOANS

An analysis of the maturity of loans is given below:

	2016 £	2015 £
Amounts falling due within one year or on demand:		
Bank overdrafts	-	8

11. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2016 £	2015 £
Within one year	77,175	-
Between one and five years	308,700	-
In more than five years	347,288	-
	<u>733,163</u>	<u>-</u>

The operating lease above is in respect of land and buildings.

12. CALLED UP SHARE CAPITAL

Allotted and issued:		Nominal value:	2016 £	2015 £
Number:	Class:			
1	Share capital 1	£1	<u>1</u>	<u>1</u>

The share capital consideration was unpaid as at 31 March 2016.

13. RESERVES

	Retained earnings £
At 1 April 2015	40,616
Profit for the year	82,899
At 31 March 2016	<u>123,515</u>

14. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group. The directors are not aware of any other material related party transactions or disclosures, as required to be disclosed under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', other than those already disclosed in these financial statements.

ALE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2016

15. ULTIMATE CONTROLLING PARTY

The immediate parent undertaking is Alcatel-Lucent Enterprise Holding, a company incorporated in France.

The ultimate parent undertaking and controlling party is China Huaxin Post and Telecommunication Economic Development Center, a company incorporated in People's Republic of China.

China Infotech (Luxembourg) S.A. is the smallest and largest group of undertakings to consolidate these financial statements at 31 March 2016. The consolidated financial statements of China Infotech (Luxembourg) S.A. are available from 11-13, Boulevard de la Foire, L-1528 Luxembourg.

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2016	2015
	£	£
Profit for the financial year	82,899	40,616
Issue of share capital	-	1
Net addition to shareholders' funds	82,899	40,617
Opening shareholders' funds	40,617	-
Closing shareholders' funds	123,516	40,617

17. FINANCIAL RISK MANAGEMENT

The company has exposures to four main areas of risk - foreign exchange currency exposure, credit risk, liquidity risk and market risk

Foreign exchange risk

The company operates internationally and is exposed to currency exchange rate risk due to a significant proportion of its receivables and operating expenses being denominated in foreign currencies. Foreign exchange risk could affect future commercial transactions, recognised assets and liabilities and net investments in foreign operations. The net exposure of each currency is monitored and managed at a group level.

Credit risk

Credit risk arises from cash and cash equivalents, bank deposits and accounts receivable. Credit risk refers to the risk exposure that potential financial loss to the company may occur if counterparty defaults on its contractual obligations. The maximum exposure to credit risk is the value of assets which might be lost. Cash and cash equivalents are deposited only within banks that are considered by the company to have a minimal risk of default. The company evaluates the concentration of risk with respect to accounts receivables as low, as they relate to a group undertaking.

Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations. Cash flow forecasting is performed in the company. The company monitors rolling forecasts and the liquidity requirements to ensure it has sufficient cash to meet operational needs and financial obligations.

Market risk

Market risk is managed by selecting investments in well understood markets taking into account prevailing economic conditions.